

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
ENTERED
JAWANA C. MARSHALL, CLERK
THE DATE OF ENTRY IS
IN THE COURT'S DOCKET

IN RE:

MIRANT CORP., *et al.*,

Debtors.

§ Chapter 11
§
§ Case No. 03-46590-DML
§
§ Jointly Administered
§

MEMORANDUM ORDER EXPANDING ROLE OF EXAMINER

These chapter 11 cases involve Mirant Corp. (“Mirant”) and 82 of its direct or indirect subsidiaries (“Debtors,” collectively).¹ The first filing occurred on July 14, 2003, and most of the related cases were commenced immediately thereafter. An official committee of unsecured creditors for Mirant Corp. (the “Mirant Committee”) was appointed pursuant to section 1102 of the Bankruptcy Code (the “Code”).² The United States Trustee (the “UST”) has also appointed committees to represent the creditors of Mirant Americas Generating, LLC (“MAG” and the “MAG Committee”) and stockholders of Mirant (the “Equity Committee”).

On March 19, 2004, Citibank, NA, a creditor of Mirant, asked, pursuant to section 1104(c) of the Code, that the court direct appointment of an examiner. On April 7, 2004, the court entered an order directing that the UST select an examiner to perform certain monitoring and investigating duties. On April 13, the UST, following consultation with parties in these cases, asked the court to approve Mr. William K. Snyder as the Examiner, and the court entered its order approving that appointment the same day. Shortly thereafter, following consultations among the parties, on April 29, 2004, the court entered its Order Defining Role of Examiner.

¹ A number of subsidiaries of Mirant are not in cases before this court, including two that have undergone restructuring in Canadian courts.

² 11 U.S.C. §§ 101 *et seq.*

That order was amended and restated on May 27, and again on July 7 (each, the “Examiner Order”) with the agreement of the parties but without making significant changes in the Examiner’s Role.

On June 30, the Examiner filed his first report (the “Report”). In a recent pleading filed by the MAG Committee, asking that the Debtors be compelled to purchase a hedge for the benefit of a MAG subsidiary, Mirant Mid-Atlantic, LLC (“MIRMA”), expansion of the Examiner’s powers is sought as alternative relief.³ The Equity Committee has also moved the court to add to the Examiner’s duties. The court itself has independently concluded that it is necessary and appropriate to expand the role of the Examiner.

The court acts *sua sponte*. That a court has the power, under Code § 105(a),⁴ to appoint an examiner on its own motion is well-settled law. *See In re First American Health Care of Ga., Inc.*, 208 B.R. 992, 994 (Bankr. S.D. Ga. 1996) (stating that the “plain language of the Code and the clear weight of authority” authorizes the court to *sua sponte* appoint an examiner); *In re Public Serv. Co. of N.H.*, 99 B.R. 177, 182 (Bankr. D.N.H. 1989) (stating that the court has “the power to *sua sponte* appoint an examiner”); *In re UNR Indus., Inc.*, 72 B.R. 789, 795 (Bankr. N.D. Ill. 1987) (“Under Section 105(a) the Court on its own motion can move for the appointment of an examiner.”). *See also* 7 COLLIER ON BANKRUPTCY ¶ 1104.03[1] (15th ed. rev. 1998); 4 NORTON BANKRUPTCY LAW AND PRACTICE 2D § 79:22 (1995).

³ The expansion of duties (sought in a footnote at the end of the pleading) that the MAG Committee has in mind is not, however, congruent with the court’s determination in this order.

⁴ Section 105(a) of the Code states:

(a) The court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title. No provision of this title providing for the raising of an issue by a party in interest shall be construed to preclude the court from, *sua sponte*, taking any action or making any determination necessary or appropriate to enforce or implement court orders or rules, or to prevent an abuse of process.

It is also well-established that the bankruptcy court has considerable discretion in designing an examiner's role. Though the wording of section 1106(b) of the Code is awkward,⁵ the courts have read it as permitting a designer approach to assignments given examiners. See *In re Boileau*, 736 F.2d 503, 506 (9th Cir. 1984) (examiner with "expanded powers" permitted to waive debtor's attorney client privilege); *Franklin-Lee Homes, Inc. v. First Union Nat'l Bank of N.C., NA (In re Franklin-Lee Homes, Inc.)*, 102 B.R. 477, 481 (D.N.C. 1989) ("court authorized to give the examiner additional duties as the circumstances warrant" under section 1106(b)); *Weld ex rel. Patton's Busy Bee Disposal Serv., Inc. v. Robert A. Sweeney Agency (In re Patton's Busy Bee Disposal Serv., Inc.)*, 182 B.R. 681, 686 (Bankr. W.D.N.Y. 1995) (examiner authorized to initiate adversary proceedings to enforce avoidance powers); *In re Apex Oil Co.*, 111 B.R. 235, 237 (Bankr. E.D. Mo. 1990) (examiner to facilitate settlements and issue resolutions); *In re Public Serv. Co. of N.H.*, 99 B.R. 177, 182-83 (Bankr. D.N.H. 1989) (examiner to assist court in understanding complex utility rate setting rules); *In re UNR Indus., Inc.*, 72 B.R. 789, 795-96 (Bankr. N.D. Ill. 1987) (examiner to mediate deadlocked plan negotiations); *In re Jartran, Inc.*, 78 B.R. 524, 528 (Bankr. N.D. Ill. 1987) (examiner to investigate alleged conflicts or potential for conflicts between debtor and sole shareholder of debtor); *In re Carnegie Int'l Corp.*, 51 B.R. 252, 256-57 (Bankr. S.D. Ind. 1984) (court permitted to expand duties of examiner to include prosecution of actions in the names of the debtors in possession and for the benefit of the estate); *In re Liberal Market, Inc.*, 11 B.R. 742, 745-46 (Bankr. S.D. Ohio 1981) (examiner to examine debtor's management for fraud, incompetence, and mismanagement and to control business operations upon approval of the creditors' committee).

⁵ Section 1106(b) provides, in pertinent part, "An examiner . . . shall perform . . . any duties of the trustee that the court orders the debtor in possession not to perform."

The court concludes that sections 105(a) and 1106(b) give it the ability to tailor the Examiner's mandate to suit the specific needs of these chapter 11 cases. In doing so, mindful of the phraseology of section 1106(b), the court holds that a given duty of a chapter 11 trustee (under sections 1106(a) and 704 of the Code) may be shared by the Examiner and Debtors on a situation-by-situation basis or otherwise. The court also considers clear that the Examiner may be granted most of the participatory rights of a party in interest (§ 1109) and, if appropriate, rights or duties beyond those of most parties in interest.⁶

The foregoing analysis of the tools available to it to expand the Examiner's role demonstrates the court's authority to act. The court must now turn to the reasons for its decision to do so.

Because of recent, never-before-raised objections by the MAG Committee, the court does not intend to continue its year-old practice of convening in this case monthly status conferences, nor will it closely monitor the progress of "agreed" orders, the status of pending matters, discovery in complex adversaries and specific logistical needs of the parties. Through these activities the court hitherto has been able to keep close track of these cases.⁷ For the reasons to

⁶ The court does not mean to imply that the Examiner will have *ex parte* access to the court (except in the limited circumstances set forth in decretal ¶ 7 of this order). However, the Examiner will have the court's full attention and the court will give the Examiner's views the weight they deserve, given his status as a court-appointed, neutral fiduciary and given that the expansion of the Examiner's role, below, requires the Examiner to police certain aspects of these cases. Should the court conclude it necessary to change policies respecting *ex parte* contact with the Examiner, it will first inform the parties.

⁷ The court has on occasion described its conduct of these cases as "unorthodox." In this the court has referred to these activities as well as orders it has entered to improve the efficiency of administration of these cases. These orders have given the parties and their professionals freedom from controls that the court believes would slow or impede the reorganization process. These orders include that Order Restricting Pursuit of Certain Persons (the "Protection Order"), which provides shelter from suit to professionals, managers of Debtors and members of committees; the Order Approving Specified Information Blocking Procedures and Permitting Trading in the Debtors' Securities, Bank Debt, Purchase or Sale of Trade Debt and Issuing of Analyst Reports Upon Establishment of a Screening Wall Effective July 25, 2003 (the "Continued Trading Order"), which allows entities represented on the committees to trade in Debtors' securities; and a series of orders addressing compensation of professionals (the "Compensation Orders") that streamline compensation procedures and delegate considerable authority to regulate fees and expenses to a committee formed of representatives of the UST, Debtors and the

which the court now turns, the court feels it is necessary to Debtors' effective and efficient reorganization and, indeed, to the public interest in reorganization cases, proper corporate governance and the conduct of fiduciaries that a neutral party, the Examiner,⁸ be sufficiently empowered and involved in these cases to ensure their proper prosecution.

Though the court's conclusion that expansion of the Examiner's role is necessary is based on the totality of the record in these cases, there are a number of factors that have been particularly persuasive to the court. A brief review of these follows:

1. As discussed above, the court has attempted to create an environment congenial to the efficient reorganization of these Debtors. The court entered the Protection Order, the Compensation Orders and the Continued Trading Order in aid of that effort and with the expectation that, in lieu of the controls thereby diminished, the court would be able to police the parties and professionals in these cases. The court is reluctant to alter the Protection Order or the Compensation Orders,⁹ because parties and professionals have acted in reliance on them. The court thus requires a new means of oversight to ensure that parties and professionals do not abuse the freedom they have gained through the Protection Order and the Compensation Orders.

committees and chaired by a court-appointed expert (the "Fee Committee"). The court has also chosen to overlook the failure of some principal parties to comply with N.D. Tex. Local Rule 83.10, has permitted appearance of counsel by telephone, has effected changes to courthouse policy to assist counsel to the parties, and has made itself available to the parties for emergency hearings at almost any time. The court does not intend to alter these practices at this time.

⁸ The Examiner has no economic stake in these cases, not even that of a trustee. Unlike a trustee, he has no operating responsibilities – which always create the possibility of inter-company favoritism.

⁹ The Continued Trading Order is different, in that it may be terminated prospectively without undue inconvenience to the parties. The court addresses that possibility later in this order.

2. These cases relate to 83 debtors that have been operated as a single enterprise. There are many inter-Debtor contracts, shared assets, and there is a significant concentration of debt at least four of the Debtors¹⁰ (Mirant, MAG, MIRMA and Mirant Americas Energy Marketing, LP (“MAEM”)). All of the Debtors are operated by the same management and use the same professionals.¹¹ The MAG Committee and the Mirant Committee owe duties to creditors of MAG’s and Mirant’s subsidiaries. Naturally, intercompany transactions and intercompany debt offer the potential for conflict. The Examiner Order already addresses potential conflicts – but only if a party brings a possible conflict to the Examiner’s attention will he investigate it. Due to the possible conflicts Debtors and the two creditors’ committees face and limitations on court oversight, closer supervision by the Examiner is now necessary.
3. Many entities and individuals active in these cases face exposure at different levels. For example, Citibank, NA, whose representative serves as chair of the

¹⁰ Other Debtors have substantial debt, and most Debtors have at least some third-party debt as well as intercompany obligations. See Exhibit “A” attached hereto.

¹¹ There is case law to the effect that in this situation (especially given numerous inter-company claims) the same professionals should not represent all debtors. See *In re BH&P Inc.*, 949 F.2d 1300, 1302 (3d Cir. 1991) (counsel disqualified from representing multiple debtors because actual conflict exists where one bankruptcy estate has a claim against another bankruptcy estate); *In re Lee*, 94 B.R. 172, 180 (Bankr. C.D. Cal. 1988) (adopting presumption that multi-debtor representation in related cases is *per se* improper). Some courts, however, have concluded otherwise. See, e.g., *In re Howell*, 148 B.R. 269, 271-72 (Bankr. S.D. Tex. 1992) (stating that counsel’s dual representation was both economically reasonable and legally appropriate and that whether counsel’s dual representation is a conflict necessitating disqualification is a question of fact for the bankruptcy judge); *In re Global Marine, Inc.*, 108 B.R. 998, 1004 (Bankr. S.D. Tex. 1987) (mere existence of inter-company claims between related debtors not sufficient grounds requiring disqualification of firm representing multiple debtors in jointly administered cases). See also 3 COLLIER ON BANKRUPTCY ¶ 327.04[5][a] (15th ed. rev. 1998) (“The case law suggests that, rather than disapproving of multi-debtor representation as a *per se* conflict, courts generally examine the factual circumstances surrounding the representation to determine whether it is appropriate.”). In the case at bar professional costs are so high that multiple sets of professionals would frustrate any efforts at economy. Moreover, as Debtors have unitary management directing outside advisors, the court questions how much difference multiple professionals would make.

Mirant Committee, was an underwriter for debt issued by MAG – and, thus, potentially a defendant in litigation of MAG’s behalf. Officers of Debtors are defendants in certain securities fraud suits brought, *inter alia*, by the MAG Committee’s counsel. Under the Continued Trading Order, entities represented on committees continue to trade in debt of, at least, Mirant and MAG. These and other, similar potential conflicts require the presence in these cases of an empowered neutral.

4. There has been turnover of key personnel. The Mirant Committee has been reconstituted a number of times and recently replaced most of its professionals. Debtors have lost a number of key employees, have changed chief reorganization officers and chief financial officers. Yet now is the time when the parties should be exchanging ideas for reorganization plans – not breaking in new personnel anxious to prove themselves. With encouragement and guidance the parties may yet achieve efficiently a feasible reorganization that provides substantially fair treatment, consistent with the requirements of the Code, for all interested parties. As the court cannot facilitate the process as it heretofore has, it now must look to the Examiner to ensure that these cases do not fall into chaos, a state sometimes perceived as advantageous for a party that wishes to use its strategic position to bully competing classes of creditors.
5. The court has perceived a number of troubling instances of mistakes concerning information and even of an absence of professionalism. Examples of the former include (a) the Mirant Committee’s insistence that its professionals were not getting good information from Debtors, followed by Ronald Goldstein’s

apparently contradictory testimony in support of the need of the Mirant Committee to change professionals; and (b) Debtors' apparent underdisclosures (described in the Report) in connection with its Key Employee Retention Plan. As to unprofessional conduct, there have been allegations on several occasions that one or another of counsel representing a fiduciary reneged on a promise. While the court hopes – and for now assumes – that miscommunications and misunderstandings led to these failings, the court wishes to ensure that less of its time is given to rhetoric designed for mind-poisoning and that further confusion not distract from the proper business of the court and the parties. Should there, in fact, be misconduct, it should be dealt with pursuant to FED. R. BANKR. P. 9011, section 501(c) of the Code or 18 U.S.C. § 152 (or other appropriate provision of title 18), as may be called for under the circumstances. Again, the court must look to the Examiner for assurance that all parties are negotiating in good faith and that any wrongful conduct (or pattern of conduct) is brought to the attention of the court and other authorities.

The preceding five examples provide a sense of the court's concerns.¹² The court notes that it does not presently harbor mistrust for any entity or professional participating in these cases. However, the dynamics of the cases, Debtors' corporate structure, the nature of Debtors' business, the variables in these chapter 11 cases and in the market place, the orphan creditor constituencies, some represented only second hand by a committee, and the variety of agendas that professionals, Debtors' management and committee members may have, as well as other

¹² The court again emphasizes that it is acting upon the totality of the record. As approximately 5,000 filings have occurred in these cases and there are thousands of pages of transcripts, it is not practicable for the court to detail all its concerns.

factors, make for a volatile situation. The court cannot but be concerned that one or more parties might try – or appear – to exploit this situation to the detriment of the reorganization process and the public good. Thus, it is

ORDERED that, in addition to the duties and authority set forth in the Examiner Order, the Examiner shall have the following duties and authority:

1. The Examiner shall hold a monthly status conference regarding these chapter 11 cases in order to monitor the progress and conduct of these cases. Such status conferences shall be on notice to entities entitled to notice pursuant to FED. R. BANKR. P. 2002(i), and any party in interest in these cases may attend any such conference through counsel. The Examiner shall make a recording of each such status conference which shall not be provided to any entity (including the court) absent order of the court upon cause shown.
2. The Examiner shall identify any issue of fact or law in these cases resolution of which may be necessary or useful to advancement of the reorganization of these Debtors. The Examiner may take such steps as are consistent with his duty to remain neutral as among Debtors' estates in order to resolve any such issue (other than an issue involving employment or compensation of a professional). In the event any such issue cannot be resolved through negotiation or mediation, the Examiner shall consult with Debtors, the Mirant Committee, the MAG Committee and the Equity Committee (collectively, the "Fiduciaries") and any other party having an interest in the issue over how and when such issue should be resolved through litigation. In the event no party commences litigation to resolve such an issue, the Examiner may seek court authority to commence such litigation unless

to do so would compromise his neutrality as to each of Debtors' estates. In the latter event, he shall report to the court concerning the nature of the issue in the next Examiner's report. Examples of issues of the type described in this paragraph include substantive consolidation of all or some of Debtors, resolution of intercompany claims and the valuation for purposes of the plan of one or more of Debtors.

3. The Examiner may take a position on any motion. The Examiner shall advise the court, in connection with hearing by the court of any contested matter, whether or not any Fiduciary that is a party to such contested matter has made a good faith effort to resolve such contested matter without the need for litigation.
4. The Examiner may, and at the court's direction shall, maintain such notional accounting records for Debtors as may be useful in connection with ongoing efforts to resolve issues of risk-bearing.
5. The Examiner may investigate any aspect of Debtors' operations to ensure fair dealing among Debtors and may investigate any basis that may exist for pursuing litigation in or in connection with these cases. The Examiner may request the court to limit or delay investigation of any issue by a Fiduciary in order to permit the Examiner to conduct such investigation of such issue as he deems appropriate.
6. The Examiner shall monitor negotiations among the parties regarding a plan or plans of reorganization for one or more of Debtors. Upon the request of one or more Fiduciaries, the Examiner may participate in such negotiations, but only as a mediator. The Examiner, in his reports, shall advise the court concerning (a) progress in negotiations, (b) whether or not each Fiduciary is negotiating in good

faith and (c) what procedures the court might implement to advance and facilitate the negotiating process.

7. The Examiner shall investigate any conduct by a Protected Person (as that term is used in the Protection Order) or Fiduciary which may, in the Examiner's judgment, constitute a breach of any duty to a Fiduciary's constituency, the estate of any Debtor or the court. In performing his duties under this paragraph, the Examiner shall always keep in mind the specific duties owed by each of the Fiduciaries (i.e., to which constituents and which estates). The Examiner may, if necessary in aid of this paragraph, employ investigators with the approval of the UST upon Application to this court under seal and after such hearing as the court or UST may require. Such seal, absent cause shown, shall dissolve automatically 180 days after its imposition. Regarding any Protected Person the Examiner may, as appropriate, invoke or act under FED. R. BANKR. P. 9011 or 18 U.S.C. § 3059. The Examiner shall report to the court and the UST if he determines that any Protected Person has violated Rule 9011 or should be prosecuted for an act or a series of acts (including a series of acts in these cases and other cases) under title 18 of the United States Code.
8. The Examiner shall nominate a representative to the Fee Committee. The Examiner may object to or comment on any request for compensation and the retention or continued retention of a professional by a Fiduciary.
9. The court being concerned because of, *inter alia*, the turn-over on committees, the Examiner is directed to review and monitor the operation and observance of the Continued Trading Order. The Examiner shall report to the court if, through

misapplication or otherwise, the Continued Trading Order is not consistent with the public interest and the efficient reorganization of Debtors.

And it is, further

ORDERED that the Examiner shall file reports (1) every other month by the 10th day of the month, beginning October 10, 2004 and (2) at any other time he deems necessary; and it is further

ORDERED that the quarterly rolling average Examiner's budget described in ¶ 3 of the pre-decretal portion of the Examiner Order shall be deemed to read \$900,000; and it is further

ORDERED that nothing herein shall limit the powers, authority, duties or responsibilities of any Fiduciary or limit any Fiduciary's right to be heard or to commence or contest proceedings in this court; and it is further

ORDERED that the Examiner shall not assume or exercise any authority over operations of the Debtors; nothing in this order may be deemed by any entity in or in connection with these cases to constitute a default by any Debtor under any agreement or prior order of this court; provided, however, any entity may seek from the court relief from this decretal provision for cause.

Signed this the 30th day of July 2004.



HON. DENNIS MICHAEL LYNN
UNITED STATES BANKRUPTCY JUDGE

Liabilities of Mirant Corp. and Affiliated Debtors*

Date of Compilation: July 28, 2004

** Debtor	Case***	Doc.	Secured	Unsec. Priority	Unsec. Non-Priority	A/P	Intercompany	Other
1 MLW Development, LLC	03-46588	740	\$0	\$0	\$0	\$0	\$0	\$0
2 Mirant Corporation (Amended)	03-46590	2,063	\$192,445,007	\$0	\$4,687,958,676	\$62,017	\$43,906,677	\$4,643,989,981
3 Mirant Americas Energy Marketing, LP	03-46591	751	\$0	\$0	\$709,710,002		\$498,239,129	\$211,470,873
4 Mirant Americas Generation, LLC	03-46592	749	\$0	\$0	\$2,811,748,531	\$1,580	\$3,466,947	\$2,808,280,004
5 Mirant Mid-Atlantic, LLC	03-46593	750	\$1,181,144,876	\$0	\$8,899,083	\$5,014,298	\$3,884,766	\$0
6 Mirant Americas, Inc.	03-46594	712	\$0	\$0	\$639,663,428	\$0	\$594,663,428	\$45,000,000
7 Hudson Valley Gas Corporation	03-46595	711	\$0	\$0	\$95	\$95	\$0	\$0
8 Mint Farm Generation, LLC (amended)	03-46596	713	\$0	\$0	\$489,638	\$257,964	\$231,674	\$0
9 Mirant Americas Development Capital, LLC	03-46597	643	\$213,737,710	\$0	\$0	\$0	\$0	\$0
10 Mirant Americas Development, Inc.	03-46598	644	\$0	\$0	\$9,643,120	\$0	\$9,643,120	\$0
11 Mirant Americas Energy Marketing Investments, Inc.	03-46599	645	\$0	\$0	\$338,259	\$0	\$338,259	\$0
12 Mirant Americas Gas Marketing I, LLC	03-46600	647	\$0	\$0	\$40,555	\$0	\$40,555	\$0
13 Mirant Americas Gas Marketing II, LLC	03-46601	648	\$0	\$0	\$36,237	\$0	\$36,237	\$0
14 Mirant Americas Gas Marketing III, LLC	03-46602	650	\$0	\$0	\$35,697	\$0	\$35,697	\$0
15 Mirant Americas Gas Marketing IV, LLC	03-46603	651	\$0	\$0	\$35,266	\$0	\$35,266	\$0
16 Mirant Americas Gas Marketing V, LLC	03-46604	654	\$0	\$0	\$34,836	\$0	\$34,836	\$0
17 Mirant Americas Gas Marketing VI, LLC	03-46605	656	\$0	\$0	\$34,705	\$0	\$34,705	\$0
18 Mirant Americas Gas Marketing VII, LLC	03-46606	659	\$0	\$0	\$34,452	\$0	\$34,452	\$0
19 Mirant Americas Gas Marketing VIII, LLC	03-46607	660	\$0	\$0	\$34,286	\$0	\$34,286	\$0
20 Mirant Americas Gas Marketing IX, LLC	03-46608	653	\$0	\$0	\$34,209	\$0	\$34,209	\$0
21 Mirant Americas Gas Marketing X, LLC	03-46609	662	\$0	\$0	\$34,208	\$0	\$34,208	\$0
22 Mirant Americas Gas Marketing XI, LLC	03-46610	664	\$0	\$0	\$34,212	\$0	\$34,212	\$0
23 Mirant Americas Gas Marketing XII, LLC	03-46611	666	\$0	\$0	\$34,268	\$0	\$34,268	\$0
24 Mirant Americas Gas Marketing XIII, LLC	03-46612	668	\$0	\$0	\$34,074	\$0	\$34,074	\$0
25 Mirant Americas Gas Marketing XIV, LLC	03-46613	670	\$0	\$0	\$34,070	\$0	\$34,070	\$0
26 Mirant Americas Gas Marketing XV, LLC	03-46614	672	\$0	\$0	\$34,180	\$0	\$34,180	\$0
27 Mirant Americas Procurement, Inc.	03-46615	673	\$0	\$0	\$58,540	\$7,244	\$51,296	\$0
28 Mirant Americas Production Company	03-46616	675	\$0	\$0	\$1,392	\$0	\$1,392	\$0
29 Mirant Americas Retail Energy Marketing, LP	03-46617	677	\$0	\$0	\$2,715,716	\$3,000	\$2,712,716	\$0
30 Mirant Bowling, LLC	03-46618	714	\$0	\$0	\$3,188,230	\$2,123,268	\$1,064,962	\$0
31 Mirant California Investments, Inc	03-46619	716	\$0	\$0	\$0	\$0	\$0	\$0
32 Mirant California, LLC	03-46620	718	\$0	\$0	\$2,293,973	\$929,566	\$1,364,407	\$0
33 Mirant Canal, LLC	03-46621	720	\$0	\$0	\$6,666,712	\$2,849,142	\$3,817,570	\$0
34 Mirant Capital Management, LLC	03-46622	679	\$0	\$0	\$0	\$0	\$0	\$0
35 Mirant Capital, Inc.	03-46623	681	\$0	\$0	\$0	\$0	\$0	\$0
36 Mirant Central Texas, LP	03-46624	722	\$0	\$0	\$0	\$0	\$0	\$0

Exhibit "A"

Liabilities of Mirant Corp. and Affiliated Debtors*

Date of Compilation: July 28, 2004

** Debtor	Case***	Doc.	Secured	Unsec.	Priority	Unsec.	Non-Priority	A/P	Intercompany	Other
37 Mirant Chalk Point Development	03-46625	723	\$0		\$0		\$0	\$0	\$0	\$0
38 Mirant Chalk Point, LLC	03-46626	724	\$0		\$0		\$3,951,782	\$2,869,929	\$1,081,853	\$0
39 Mirant D.C. O&M, LLC	03-46627	646	\$0		\$0		\$810,742	\$510,840	\$299,901	\$0
40 Mirant Darville, LLC	03-46628	649	\$0		\$0		\$1,344	\$0	\$1,344	\$0
41 Mirant Delta, LLC	03-46629	725	\$0		\$0		\$3,794,247	\$2,484,589	\$1,309,658	\$0
42 Mirant Dickerson Development, LLC	03-46630	652	\$0		\$0		\$1,447	\$0	\$1,447	\$0
43 Mirant Fund 2001, LLC	03-46631	657	\$0		\$0		\$0	\$0	\$0	\$0
44 Mirant Gastonia, LLC	03-46632	658	\$0		\$0		\$0	\$0	\$0	\$0
45 Mirant Intellectual Asset Management and Marketing, LLC	03-46633	661	\$0		\$0		\$0	\$0	\$0	\$0
46 Mirant Kendall, LLC	03-46634	726	\$0		\$0		\$5,046,495	\$1,467,910	\$3,578,585	\$0
47 Mirant Las Vegas, LLC (amended)	03-46635	715	\$0		\$0		\$14,396,529	\$307,086	\$14,089,443	\$0
48 Mirant Lovett, LLC	03-46636	728	\$0		\$0		\$2,069,695	\$1,273,007	\$796,688	\$0
49 Mirant MD Ash Management, LLC	03-46637	727	\$0		\$0		\$472,551	\$459,220	\$13,330	\$0
50 Mirant Michigan Investments, Inc.	03-46638	665	\$0		\$0		\$41,535	\$56	\$41,480	\$0
51 Mirant Mid-Atlantic Services, LLC	03-46639	667	\$0		\$0		\$0	\$0	\$0	\$0
52 Mirant New England, Inc.	03-46640	729	\$0		\$0		\$1,089,524	\$29,967	\$1,059,557	\$0
53 Mirant New York, Inc.	03-46641	730	\$0		\$0		\$484,638	\$44,162	\$440,475	\$0
54 Mirant NY-Gen, LLC	03-46642	731	\$0		\$0		\$252,065	\$149,925	\$102,140	\$0
55 Mirant Parker, LLC	03-46643	732	\$0		\$0		\$0	\$0	\$0	\$0
56 Mirant Peaker, LLC	03-46644	669	\$0		\$0		\$838,826	\$769,048	\$69,778	\$0
57 Mirant Piney Point, LLC	03-46645	734	\$0		\$0		\$715,719	\$563,393	\$152,326	\$0
58 Mirant Portage County, LLC	03-46646	671	\$0		\$0		\$0	\$0	\$0	\$0
59 Mirant Potomac River, LLC	03-46647	674	\$229,791		\$0		\$2,865,869	\$924,533	\$1,941,336	\$0
60 Mirant Potrero, LLC	03-46648	735	\$0		\$0		\$679,749	\$320,655	\$359,094	\$0
61 Mirant Services, LLC (Amended)	03-46649	2,064	\$0		\$0		\$16,034,944	\$5,990,625	\$795,518	\$9,248,801
62 Mirant Special Procurement, Inc.	03-46650	736	\$0		\$0		\$0	\$0	\$0	\$0
63 Mirant Sugar Creek Holdings, Inc.	03-46651	676	\$0		\$0		\$0	\$0	\$0	\$0
64 Mirant Sugar Creek Ventures, Inc.	03-46652	678	\$0		\$0		\$0	\$0	\$0	\$0
65 Mirant Sugar Creek, LLC (amended)	03-46653	717	\$0		\$0		\$7,078,794	\$1,202,344	\$5,876,450	\$0
66 Mirant Texas Investments, Inc.	03-46654	737	\$0		\$0		\$0	\$0	\$0	\$0
67 Mirant Texas Management, Inc.	03-46655	738	\$0		\$0		\$0	\$0	\$0	\$0
68 Mirant Texas, LP	03-46656	739	\$0		\$0		\$1,604,100	\$100,468	\$1,503,632	\$0
69 Mirant Wichita Falls Investments, Inc.	03-46657	682	\$0		\$0		\$0	\$0	\$0	\$0
70 Mirant Wichita Falls Management, Inc.	03-46658	684	\$0		\$0		\$0	\$0	\$0	\$0
71 Mirant Wichita Falls, LP (amended)	03-46659	719	\$0		\$0		\$179,194	\$84,233	\$94,960	\$0
72 Mirant Wyandotte, LLC	03-46660	688	\$0		\$0		\$493,646	\$408,547	\$85,099	\$0

Exhibit "A"

Liabilities of Mirant Corp. and Affiliated Debtors*

Date of Compilation: July 28, 2004

** Debtor	Case***	Doc.	Secured	Unsec. Priority	Unsec. Non-Priority	A/P	Intercompany	Other
73 Mirant Zealand, LLC (amended)	03-46661	721	\$0		\$5,478,184	\$4,326,788	\$1,151,396	\$0
74 Shady Hills Power Company, LLC	03-46662	687	\$0		\$2,896,454	\$145,992	\$2,750,462	\$0
75 West Georgia Generating Company, LLC	03-46663	685	\$139,500,000		\$4,903,791	\$145,501	\$4,758,290	\$0
76 Mirant EcoElectrica Investments I, Ltd.	03-47927	655	\$0	\$0	\$0	\$0	\$0	\$0
77 Puerto Rico Power Investment, Ltd.	03-47929	683	\$0	\$0	\$0	\$0	\$0	\$0
78 Mirant Wrightsville Investments, Inc.	03-49548	1,955	\$0	\$0	\$3,148,586	\$0	\$3,148,586	\$0
79 Wrightsville Power Facility, LLC	03-49553	1,956	\$204,053,688	\$0	\$3,460,322	\$49,161	\$3,411,161	\$0
80 Wrightsville Development Funding, LLC	03-49555	1,958	\$0	\$0	\$195,211,335	\$0	\$1,800,000	\$193,411,335
81 Mirant Wrightsville Management, Inc.	03-49556	1,959	\$0	\$0	\$16,293	\$0	\$16,293	\$0
82 Mirant Americas Energy Capital, LP	03-91079	2,493	\$0	\$0	\$20,000	\$20,000	\$0	\$0
83 Mirant Americas Energy Capital Assets, LLC	03-91081	2,492	\$0	\$0	\$0	\$0	\$0	\$0
Total			\$1,931,111,072	\$0	\$9,161,939,050	\$35,896,153	\$1,214,641,900	\$7,911,400,994

* This document has been prepared merely to illustrate the court's concerns in these jointly administrated cases. No analysis has been performed and all figures were taken directly from the schedules filed by the debtors in the main case, Mirant Corp., case number 03-46590-DML-11.

** Legend of Columns Description

Doc : Docket entry number of schedules filed in main case number 03-46590-DML-11
 Secured : From Summary of Schedules, Schedule D - Creditors Holding Secured Claims
 Unsec. Priority : From Summary of Schedules, Schedule E - Creditors Holding Unsecured Priority Claims
 Unsec. Non-Priority : From Summary of Schedules, Schedule F - Creditors Holding Unsecured Non-Priority Claims
 A/P : From first page of Schedule F, Accounts Payable
 Intercompany : From first page of Schedule F, Intercompany Liabilities
 Other : From all other items listed on first page of Schedule F other than Accounts Payable and Intercompany Liabilities

*** This document has been sorted by "Case" not "Debtor."

Note: Unpopulated fields are listed as "Undetermined" in the schedules. Column "Other" is, however, always populated, whether listed as "Undetermined" or otherwise because it is a compilation of "Unsec. Non-Priority" less the sum of "A/P" and "Intercompany."